

1  
2  
3  
4  
5 UNITED STATES DISTRICT COURT  
6 WESTERN DISTRICT OF WASHINGTON  
7 AT SEATTLE

8 PETER SCHAUB,

9 Plaintiff,

10 v.

11 WELLS FARGO HOME MORTGAGE,  
12 N.A., *et al.*,

13 Defendants.  
14

No. C17-1734RSL

ORDER OF DISMISSAL AND  
REMAND

15 On November 16, 2017, Wells Fargo removed this action from King County Superior  
16 Court asserting federal question jurisdiction. The parties agree, however, that the only federal  
17 claims asserted in this litigation fail as a matter of law. Dkt. # 6 at 5-7; Dkt. # 9 at 1. Wells  
18 Fargo's motion to dismiss (Dkt. # 6) is therefore GRANTED in part and plaintiff's RESPA  
19 claims are DISMISSED with prejudice.  
20

21 When this case was removed to federal court, original jurisdiction over the claims  
22 asserted under federal law existed, and the Court had supplemental jurisdiction over the related  
23 state law claims. 28 U.S.C. § 1367(a). The Court does not lose subject matter jurisdiction in  
24 these circumstances, but it has the discretion to decline to continue to exercise supplemental  
25 jurisdiction. Carlsbad Tech., Inc. v. HIF Bio, Inc., 556 U.S. 635, 639 (2009) (citing 28 U.S.C.  
26

1 § 1367(c)). Pursuant to § 1367(c), the Court may decline to exercise supplemental jurisdiction if  
2 any one of the following factors is implicated:

3 (1) the claim raises a novel or complex issue of State law;

4 (2) the claim substantially predominates over the claim or claims over which the  
5 district court has original jurisdiction;

6 (3) the district court has dismissed all claims over which it has original  
7 jurisdiction, or

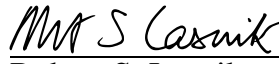
8 (4) in exceptional circumstances, there are other compelling reasons for declining  
9 jurisdiction.

10 At least two, if not three, of the factors trigger the Court's discretion in this case: all claims over  
11 which the Court had original jurisdiction have been dismissed, the remaining state law claims  
12 dominate, and the application of state law in the context of a mortgage foreclosure and  
13 modification raises uniquely state law issues regarding which the federal courts have not always  
14 been the best prognosticators.

15 "While discretion to decline to exercise supplemental jurisdiction over state law claims is  
16 triggered by the presence of one of the conditions in § 1367(c), it is informed by the Gibbs  
17 values of economy, convenience, fairness, and comity." Acri v. Varian Assocs., Inc., 114 F.3d  
18 999, 1001 (9th Cir. 1997) (referring to United Mine Workers v. Gibbs, 383 U.S. 715 (1966))  
19 (internal quotation marks omitted). In light of the lack of any substantive rulings made in this  
20 case to date, the exclusively state law matters at issue, and the fact that decisions regarding the  
21 duties of lenders when considering a loan modification should be reviewed by the state appellate  
22 courts, not the Ninth Circuit, the Court finds that a remand is appropriate.  
23  
24  
25  
26

1 Wells Fargo's motion to dismiss (Dkt. # 6) is GRANTED in part. The RESPA claims are  
2 DISMISSED with prejudice. The Clerk of Court is directed to remand the remaining state law  
3 claims to King County Superior Court, which can determine whether plaintiff's Consumer  
4 Protection Act claim is viable and whether plaintiff should be given leave to amend to allege  
5 additional state law causes of action.  
6

7  
8 Dated this 8th day of May, 2018.

9  
10   
11 Robert S. Lasnik  
12 United States District Judge  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26